

PROCEEDINGS OF THE STURGIS CITY COUNCIL

The Common Council of the City of Sturgis met in regular session starting at 6:00 p.m. on Monday, November 7, 2016 at the Erskine Building. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Rhea Crane, Rod Bradley, Tony Dargatz, Steve Keszler, David Martinson and Ronald Waterland. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: None.

Motion by Waterland, second by Crane and carried with all members present voting yes to approve the agenda.

Motion by Dargatz, second by Martinson and carried with all members present voting yes to go into executive session for one legal case, one contracts and two personnel at 6:02 pm.

Motion by Bachand, second by Dargatz to return to regular session at 6:31 pm.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

Announcements:

- Mayor Carstensen presented a check for \$17,827 to the Sturgis Rally Charities Foundation from the Sturgis® Motorcycle Rally™ Sponsorship Proceeds.
- Mayor Carstensen presented checks from the Mayor's Ride Proceeds to the following organizations: Sturgis Volunteer Fire Department-\$13,000 and \$7,500 for the fire hall parking lot; Sturgis Police Reserves - \$4,500; Sturgis Ambulance - \$4,500 and Deadwood VFW - \$2,000.
- Mayor Carstensen proclaimed November 1, 2016 as "Extra Mile Day".
- There was a great community turnout for the Jacobsen Appreciation Day this past weekend.
- Get out and vote tomorrow.
- A thanks goes out to the Life Spring Church for the Halloween event at the Community Center.

Informational Reports:

- Park Board – 9/15/16 minutes
- Library Board – 10/26/16 minutes
- Planning Commission – 11-1-16 minutes
- A Pictometry Presentation was given.

City Manager Ainslie reported:

- The sales tax update for General Sales Tax and Capital Improvement Tax for September collected in October was down 9.9% for the month to date, down 11.6% year to date. Comparing 2016 to 2014 it is up 7.6%. The Gross Receipts Tax (triple B) was down 1.5% for the month to date and down 11.9% year to date. Comparing 2016 to 2014 it is up 7.7%.
- Payroll Changes – within budget: Parks Dept – Parks Maintenance Tech 2 – Jack Huston - \$14.35, received Pesticide License. Ambulance Dept – EMR/Driver – Matt Van Asma – \$10.00 (\$8.55 while on orientation). Liquor Store Dept – Interim General Manager – David "Jerry" Klusak - \$20.00. Finance Office – Senior Accountant – Dorothy Oldenkamp - \$22.71. Wastewater Dept – Certified Wastewater Operator – Neil Murray - \$21.75. Recreation Dept – Referee – Cameron Cochran, Cain Fritz, Olivia Jolley, Tanner Smith, Zach Weyer - \$20 per game.

Motion by Waterland, second by Crane and carried with all members present voting yes to approve the following items on the consent calendar with the addition to surplus, item g:

- a. Consideration to approve the minutes from the October 17, 2016 regular council.
- b. Consideration to approve Amendment #1 to the Agreement with SD DOT for traffic signals on state highway system.
- c. Consideration to approve setting a public hearing on November 21, 2016 for a Use on Review for William and Brooke Coshow, 1218 Cedar Dr, for a home based business.
- d. Consideration to authorize the Police Dept to purchase a pickup off of the state bid for 2017.
- e. Consideration to approve setting a public hearing for November 21, 2016 for a Special Events license for the Knuckle Saloon for the Liquor Store Open House on December 2, 2016.
- f. Consideration to approve the Medical Director Services Agreement.
- g. Consideration to approve Resolution 2016-63 – Surplus Property.

RESOLUTION 2016-63
A RESOLUTION DECLARING PROPERTY SURPLUS

BE IT FURTHER RESOLVED BY THE COMMON COUNCIL OF THE CITY OF STURGIS that the personal property described below is hereby declared surplus and to be disposed of as described by SDCL 23A-37-13 and 23A-37-10. It is being advisable and in the best interest of the City to sell/trade/dispose of such personal property.

Police:

1. 2015 Dodge Police Charger -VIN# 2C3CDXKT1FH769195

Parks

1. Sky Trak Side Shift Carriage Truck Chassis
2. American Coupler Systems Multi-Purpose Bucket

Airport

1. IHC Snow plow/Tractor SN 0670
2. 1946 Oshkosh Snow-go (Snow blower)
3. 1995 Coleman Tractor (Tug) SN 5738
4. 1975 Aircraft Tug JG40PT9

Dated this 7th day of November 2016.

Published: 11-16-16

Effective: 12-6-16

- h. Consideration to authorize Mayor to sign a state financial assistance agreement with SD DOT for airport apron improvements.
- i. Consideration to approve Resolution 2016-62 – Plat of Vernon Heights Estates for Amie Allison, Christopher Allison, Doreen Allison Creed and Vernon Allison Jr.

RESOLUTION 2016-62
RESOLUTION APPROVING PLAT

WHEREAS, the statutes of the State of South Dakota require that plats of property within the jurisdiction of the City of Sturgis be submitted to the governing body for approval before the same are recorded in the Office of the Register of Deeds; and

WHEREAS, the City of Sturgis Planning and Zoning have presented to the Common Council of the City of Sturgis a plat of the following described real property for Amie Allison, Christopher Allison, Doreen Allison Creed and Vernon James Allison Jr.:

PLAT OF VERNON HEIGHTS ESTATES II SUBDIVISION, LOT 1, BLOCK 4
BEING A PORTION OF TRACT 'A' OF VERNON HEIGHTS ESTATES II
SUBDIVISION. ALL LOCATED IN THE W1/2NE1/4, SECTION 15, T.5N,
R.5E, B.H.M., CITY OF STURGIS, MEADE COUNTY, SOUTH DAKOTA

WHEREAS, said plat meets the requirements of the statutes in all things, now therefore,

BE IT RESOLVED by the Common Council of the City of Sturgis, South Dakota, that the within and foregoing plat is hereby approved.

Dated this 7th day of November, 2016.

Published: 11-16-16

Effective: 12-06-16

- j. Consideration to approve Professional Service Agreement with Sturgis Economic Development Corp.

Motion by Bachand, second by Martinson and carried with Anderson, Bachand, Crane, Bradley, Dargatz, Keszler, Martinson and Waterland voting yes, Carstensen abstaining, to approve the following claims with the addition of the airport pickup from Auto Max:

WAGES AND BONUSES – Ambulance \$30,327.44; Attorney \$3482.99; Auditorium \$179.63; Buildings \$1781.63; Cemetery \$2316.43; City Manager \$7345.71; Community Center \$10,287.50; Finance Office \$9786.76; Fire Department \$225.66; Human Resource \$3941.95; Library \$8434.39; Liquor \$6694.79; Mayor and Council \$3554.50; Parks \$9427.37; Planning & Permitting \$8440.29; Police \$43,697.40; Rally \$6665.97; Recreation \$3673.18; Sanitary Service \$16,435.37; Streets \$14,008.35; Wastewater \$10,432.07; Water \$13,935.92; Federal Withholding \$23,448.72; FICA \$15,674.05.

COMBINED CASH FUND – First Interstate Bank, \$1,000.00, ATM; David Hoffman, \$53.77, refund; Lantern Motel, \$60.00, refund.

GENERAL – A&B Business, \$394.93, sup; Amazon, \$85.38, sup; Amcon, \$319.47, resale; American Legal Services, \$43.44, prof fees; Auto Max, \$13,800.00, equip; Avaya, \$25.55, util; Baker & Taylor, \$559.01, sup; Bierschbach Equipment, \$242.50, other; Black Hills Energy, \$122.88, util; Black Hills Energy, \$14,449.52, util; Ben Bostrom, \$7,500.00, prof fee; Roger Burnham, \$2,800.00, prof fee; Butte Electric, \$571.28, util; CBH, \$143.57, sup; Century Business Products, \$214.70, sup; City of Sturgis, \$7,500.00, other; City of Sturgis Water Dept, \$6,165.48, util; Culligan of the Black Hills, \$12.00, sup; Culligan of the Northern hills, \$26.00, sup; Dakota Business Center, \$99.77, rep; Dave's Heating & Lock Service, \$30.00, prof fee; Deadwood VFW, \$2,000.00, other; Diamond Vogel Paints, \$435.60, sup; EB Communications, \$70.00, prof fees; FEDEX, \$17.22, sup; Foothills Seed, \$236.50, sup; Freeman's Electric, \$1,996.52, rep; Global Industries, \$825.00, sup; Godfrey Brake Service, \$190.98, rep; Great Western Tire Company, \$13.00, sup; J&L Services, \$835.00, rep; Jake's Collision Repair, \$250.00, rep; KT Connections, \$952.28, prof fee; Tyler Kaitfors, \$25.00, sup; Leaning Door Enterprises, \$75.35, rep; Ron Ledford, \$60.00, other; Loud American, \$162.00, sup; Aaron Lukesh, \$30.00, other; Autumn Lyons, \$500.00, ins; Valerie Martin, \$1,000.00, ins; McGas Propane, \$273.96, sup; Meade county Auditory, \$14,258.16, other; Meade County Times Tribune, \$710.14, pub; Midamerica Books, \$137.60, sup; Midwest Turf & Irrigation, \$1,080.00, sup; Mobile Mini, \$88.54, rep; MDU, \$3,612.84, util; Motionsoft, \$450.00, prof fee; Ben Mumm, \$75.35, sup; Network Services Company, \$24.72, sup; Neve's Uniforms, \$32.95, sup; Northern Truck Equipment, \$27.10, rep; Oreilly Auto Parts, \$12.34, rep; Petty Cash, \$170.68, sup; Print Mark-et, \$1,159.48, pub; Purchase Power, \$500.00, sup; Regional Health, \$104.00, prof fee; Rodenburg Law Firm, \$700.00, prof fee; S&C Cleaners, \$3,100.00, sup; Sacrison Asphalt, \$1,461.00, sup; Safety Benefits, \$65.00, travel; Lance Scherer, \$1,489.66, travel; SD Dept of Revenue, \$170.00, other; SDEMSA, \$175.85, travel; Servall Towel & Linen, \$490.72, sup; Cody Severson, \$250.00, permits; SMRI, \$24,790.00, other; Sturgis Ambulance, \$4,500.00, other; Sturgis ATV, \$32.07,

rep; Sturgis Police Reserves, \$4,500.00, other; Sturgis Rally Charities, \$17,827.00, other; Sturgis Volunteer Fire Dept, \$13,000.00, other; Tigerdirect.com, \$2,095.46, sup; time Equipment Rental & Sales, \$6,462.00, equip; Tom's T's, \$514.60, sup; Trugreen, \$65.00, sup; Twilight First Aid & Safety, \$259.25, sup; Universal Athletic, \$199.49, sup; VAST Business, \$441.56, util; Verizon Wireless, \$2,271.95, util; West River Electric Assn, \$720.12, util.

SPECIAL SALES TAX – Chamber of Commerce, \$9,166.67; Sturgis Economic Development, \$9,833.33.

CAPITAL IMPROVEMENT – A&L Contractors, \$47,053.96; Advanced Engineering & Environmental, \$13,025.00; Brosz Engineering, \$1,281.53; SD Sept of Transportation, \$30,352.12.

BUSINESS IMPROVEMENT DISTRICT – Black Hills Energy, \$174.74, util; J&L Services, \$125.00, sup; MDU, \$19.94, util; Robert Sharp & Associates, \$403.75, pub.

TIF #11 SPM – Johner & Sons, \$300.00; North Star Construction, \$197,206.48.

LIQUOR – Amcon Distributing, \$1,388.07, resale; Belle Joli Winery, \$283.50, resale; Black Hills Energy, \$2,001.69, util; Cask & Cork, \$1,187.65, resale; Century Business Products, \$3.00, sup; City of Sturgis Water Dept, \$270.06, util; Tom Ferguson, \$810.61, ins; Fisher Beverage, \$8,078.95, resale; Freeman's Electric, \$63.22, rep; JJ Davenport's, \$4.60, refund; Johnson Western Wholesale, \$10,597.79, resale; Johnson Western Wholesale, \$4,137.61, resale; KT Connections, \$67.93, prof fee; Locks by Bernie, \$75.00, rep; LPA Retail Systems, \$2,689.00, prof fee; M&B Enterprises, \$202.90, resale; Main Street Grill, \$5.95, refund; Mobile Mini, \$246.38, sup; MDU, \$108.09, util; Prairie Berry, \$1,191.00, resale; Prairie Berry, \$1,104.00, resale; Print Mark-et, \$68.21, pub; Quality Brands of the Black Hills, \$14,266.79, resale; Republic Beverage, \$5,465.20, resale; Roscz, \$108.25, refund; Servall Towel & Linen, \$178.95, sup; Southern Glazier's of SD, \$382.44, resale; Strawbale Winery, \$132.00, resale.

WATER – APWA, \$184.00, prof fee; Armstrong Extinguisher Service, \$25.00, prof fee; Black Hills Energy, \$43.41, util; Black Hills Energy, \$732.55, util; Butte Electric, \$183.60, util; Campbell Supply, \$15.48, sup; CBH, \$468.19, sup; Century Business Products, \$42.35, sup; City of Sturgis Water Dept, \$157.45, util; Credit Collections Bureau, \$21.94, prof fees; Ecolab Pest Eliminator, \$62.10, prof fee; Ferguson Waterworks, \$4,128.30, sup; Flowers by Rose, \$45.00, sup; Grocery Mart, \$21.58, sup; HACH Company, \$210.24, sup; Hawkins, \$331.00, sup; HD Supply Waterworks, \$7,008.99, sup; Heavy Constructors, \$35,602.62, cap improv; Meade County Times Tribune, \$78.15, pub; Midcontinent Testing Lab, \$147.00, prof fee; Mobile Mini, \$44.27, sup; MDU, \$137.77, util; Petty Cash, \$2.85, sup; Print Mark-et, \$68.21, pub; Rushmore Office Supply, \$324.93, sup; Sacrison Paving, \$459.18, sup; Safety Benefits, \$65.00, travel; SD One Call, \$72.80, prof fee; Servall Towel & Linen, \$11.86, sup; Site Work Specialists, \$1,2500.00, rep; VAST Business, \$31.86, util; Verizon, \$214.11, util; Wells Fargo Corporate Trust, \$9,995.29, go bond; Weston Engineering, \$21,470.00, rep.

WASTEWATER – Ace Steel & Recycling, \$1,066.20, rep; Advanced Engineering & Environmental, \$32,632.60, cap imp; BH Energy, \$5,328.44, util; City of Sturgis Water, \$20.52, util; Fisher Industries, \$216.33, rep; Jenner Equipment, \$225.96, sup; KT Connections, \$67.93, prof fee; Print Mark-et, \$68.21, pub; Sanitation Products, \$490.48, rep; Verizon, \$139.45, util; Wells Fargo Corporate Trust, \$80,870.96, GO Bond; Whisler Bearing, \$44.04, rep.

SANITATION – Allstate Peterbilt of Rapid City, \$275.91, rep; Black Hills Energy, \$271.27, util; Century Business Products, \$249.85, prof fee; Century Link, \$54.31, util; Fastenal, \$71.18, rep; KT Connections, \$67.93, prof fee; New Deal Tire, \$1,493.80, other; Northern Truck Equipment, \$111.60, rep; Print Mark-et, \$68.21, pub; Richter's Tire & Exhaust, \$65.96, sup; Sturgis ATV, \$22.17, rep; Verizon, \$37.77, util; West River International, \$53.19, rep.

AMBULANCE – Barrows Electric Service, \$248.81, rep; Century Business Products, \$448.83, sup; City of Sturgis Water, \$128.10, util; Econo Lodge, \$648.00, travel; Freeman's Electric, \$50.00, rep; Hersrud Co., \$413.99, rep; KT Connections, \$67.93, prof fee; MDU, \$39.55, util; O'Reilly Auto Parts, \$49.31, rep; Print Mark-et, \$68.21, pub; Purchase Power, \$208.99, sup; Verizon, \$335.21, util.

Motion by Martinson, second by Anderson and carried with Carstensen, Anderson, Bachand, Crane, Keszler, Martinson and Waterland voting yes, Bradley and Dargatz abstaining, to approve a Malt Beverage License and a Wine License transfer from Lori and Tracy Konst dba Total E'Clips Salon to

Luke and Rebecca Ortiz, Tamarack Inc. dba Total E'Clips Salon at 920 1st St. This includes the restrictions from Title 18.

Motion by Bachand, second by Waterland and carried with all members present voting yes to approve a transfer of location of an Off-Sale Liquor License for the City of Sturgis.

The following information was given on the licenses that are up for renewal:

City Manager Ainslie informed the Council that there is a judgement, a public document, on The Beaver Bar. There is some concerns about some temporary structures at the Iron Horse Saloon. There are also several locations with beer gardens that are not in compliance with the ordinance.

Councilor Bachand stated that he had several noise complaints on the Iron Horse Saloon.

Dave and Toni Fisher also stated their complaints about the noise level and profanity at the Iron Horse Saloon during the Rally.

Attorney Dale Hansen, representing the Iron Horse Saloon, commented on the temporary structures and the noise complaints.

Motion by Anderson, second by Waterland and carried with Carstensen, Anderson, Bachand, Crane, Dargatz, Keszler, Martinson and Waterland voting yes, Bradley abstaining, to approve the removal and tabling of Low Country Oysters of Sturgis LLC dba The Beaver Bar from the Liquor License renewals until a future date.

Motion by Bachand to remove KSLB&D dba Iron Horse Saloon from the Liquor License renewals to vote on separately. Died for lack of second.

Motion by Anderson, second by Waterland and carried with Carstensen, Anderson, Crane, Dargatz, Keszler, Martinson and Waterland voting yes, Bachand voting no, Bradley abstaining, to approve the Liquor License and Wine License Renewals for 2017.

Package (off-sale) Liquor

1. City of Sturgis, dba Sturgis Liquor – 1075 Lazelle
2. City of Sturgis, dba Sturgis Liquor Annex – 1057 Dudley Street

Retail (on-sale w/Sunday Sales) Liquor

- a. American Legion Mead Post 33/ VFW Paha Sapa Post 2730 – 868 Main St
- ~~b. Low Country Oysters of Sturgis, LLC dba The Beaver Bar – 12976 Highway 34~~
- c. KSLB & D dba Iron Horse Saloon – 888 Junction Ave.
- d. Lonbar LLC – 2715 Lazelle
- e. Homeslice Management, LLC dba Loud American Roadhouse – 1305 Main St
- f. PSI Enterprises, LLC dba Oasis Bar & Lounge – 1145 Main St
- g. One Eyed Jacks Saloon of Sturgis Inc dba One Eyed Jack's Saloon – 1304 Main St
- h. Schmid Investments dba Sidehack Saloon – 1027 Lazelle Street
- i. Key City Enterprises dba The Knuckle Saloon – 931 1st Street

Wine (on-off sale) License

- a. CBH Cooperative – Cenex-C-Store – 2030 Lazelle Street
- b. Days Inn Campground – 2501 Avalanche Rd
- c. Fresh Start Convenience Store, Inc. – 2620 Lazelle St.
- d. Kan-Meyer Inc dba Grocery Mart – 2216 Junction Ave
- e. Sheree D Schriver dba Jambonz Grill & Pub – 2214 Junction Ave.
- f. Sturgis Water Works Co, LLC dba JJ Davenport's Restaurant – 1020 Junction
- g. Lynn's Discount Foods, Inc. dba Lynn's Dakota Mart – 1111 Lazelle St
- h. Moyle Petroleum dba Common Cents – 2421 Junction Ave
- i. Billy Fields & Jason Fields dba Rosco'z – 976 Lazelle
- j. Dungeon Bar dba Royal Flush Casino and Sports Bar – 1030 Main Street
- k. Shopko Stores Operating Co. LLC – 2105 Lazelle Street

- l. MAJR, LLC dba Sturgis Coffee Company – 2275 Lazelle Street
- m. Sturgis Wine Company LLC dba Sturgis Wine Company – 1117 Main Street
- n. Key City Enterprises dba The Knuckle Saloon – 931 1st Street
- o. Luke & Rebecca Ortiz, Tamarack Inc dba Total E’Clips Salon – 920 1st St
- p. Willie Nillie Inc. dba Willie Nillie – 2715 Lazelle Street

Myrick Robbins, Director of the Sturgis Motorcycle Museum, announced that the Museum will be taking over the Pappy Hoel Half Mile Race during the Rally. They plan on changing the dates of the race to the first Friday and Saturday of the Rally. Mr. Robbins asked the Council what their plans are for the location of the Half Mile. The Council is not sure what the future plans will be right now. The first item would be to try to get the Rodeo grounds moved out to the High School. Mr. Robbins would like to see a coordinated effort between the City and Museum to promote the race.

Motion by Waterland, second by Crane and carried with all members present voting yes to approve first reading of Ordinance 2016-10 – Title 2 – Contractor Licensing & Construction Regulations.

Motion by Martinson, second by Anderson and carried with all members present voting yes to approve first reading of Ordinance 2016-11 – Title 6 – Cemetery.

Motion by Bradley, second by Keszler and carried with all members present voting yes to approve first reading of Ordinance 2016-08 – Supplemental Appropriations for 2016 Budget.

Motion by Bradley, second by Crane and carried with all members present voting yes to approve first reading of Ordinance 2016-09 – Supplemental Appropriations for 2017 Budget.

Any other business:

Bernadette Usera discussed the issue of In-home businesses with the Council.

Motion by Waterland, seconded by Dargatz and carried with all members present voting yes to adjourn the meeting at 8:14 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

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